American Recovery and Reinvestment Act Update

District 2 Spring Meeting March 24, 2009

M.J. "Charlie" Purcell Director, Office of Local Systems Iowa Department of Transportation

Presentation Overview

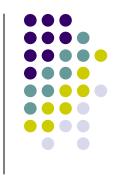
- Eligibility Questions
- Project Development Issues
- Reporting

Project Eligibility



- All projects or activities eligible under the Surface Transportation Program (STP):
 - New construction or reconstruction
 - Resurfacing, Restoration, and Rehabilitation (3R)
 - Bridges on any public road
 - Transportation enhancement activities
 - ADA improvements
 - Safety projects
 - Other projects or activities, as specified in Section 133(b) of Title 23, United States Code

Project Eligibility



- Projects on local roads or rural minor collectors are not eligible, except:
 - Roads that were on the Federal-aid system on Jan 1, 1991
 - Bridges on any public road
 - Bicycle and pedestrian walkways
 - ADA improvements
 - Enhancement activities
 - Safety projects
- TEA-21 and SAFETEA-LU allowance for up to 15% of STP funds in rural areas on minor collectors is <u>not</u> <u>applicable</u> to Recovery funds

Project Eligibility



- Preventative Maintenance
 - May be eligible, if shown to be a cost-effective treatment for extending the useful life of the facility
 - Patching (partial or full depth)
 - Seal coats / chip sealing
 - Crack sealing / joint repairs
 - Other
 - Special review and approval required by Iowa DOT and FHWA

Project Funding Agreement



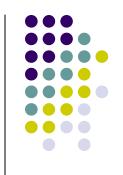
- You should get one soon (check your e-mail)
- Must be executed and delivered to the DOT:
 - by April 7 for projects in the April 21 letting
 - by April 14 for projects in the April 28 letting
- May need to schedule a special Council or Board meeting to approve
- Reimbursement will be limited to 100% of eligible costs or the STIP amount, whichever is less
- Includes "use it or lose it" and other special requirements

Use it or lose it provisions



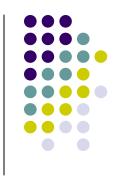
- Local agencies exempt from 120 day redistribution of first 50%
- All funds provided to the State of Iowa, including local agencies, must be obligated by Mar 2, 2010
 - Any funds not obligated will be redistributed to other States
 - Other States will have until Sep 30, 2010 to obligate any remaining funds

Use it or lose it provisions



- Local agency projects must be let for bids no later than Jan 20, 2010
 - Allows time to confirm contract awards
 - DOT will obligate any leftovers to prevent lowa from losing any Recovery funds
 - Extensions may be granted on a case-by-case basis
- Once obligated, all funds must be expended by Sep 30, 2015
 - After this date, no more reimbursements can be made

Contracting Requirements



- Davis-Bacon wage rates will apply to <u>all</u> <u>projects</u>, regardless of location
- All projects must be let through the lowa DOT, even enhancement eligible projects
- All other Federal-aid requirements still apply:
 - Buy America
 - Disadvantage Business Enterprise (DBE)
 - Others

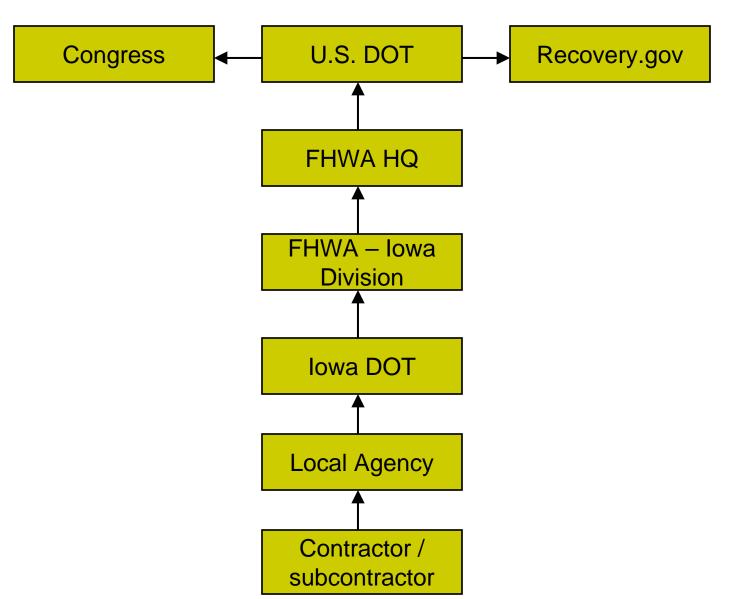
Monthly Employment Reporting



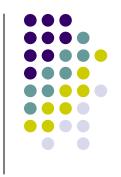
- Jobs created or sustained
 - Contractors and subcontractors will be required to report on each construction contract funded by the Recovery Act
 - Consultants and subconsultants must also report on consultant contracts reimbursed with Recovery Act funds
 - lowa DOT will provide standardized forms, instructions and specifications with bid documents

Reporting Information Flow





Additional Information



- lowa DOT web site www.iowadot.gov/recovery/index.htm
 - Summary of Recovery Act
 - Lists of projects
 - Iowa DOT guidance memos
 - Links to additional resources
- FHWA web site www.fhwa.dot.gov/economicrecovery/index.htm

Questions?

